

Guide for Review of Administrative and Financial Management Requirements			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s):		Date:	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding**."

Instructions: The Administrative and Financial Management review is divided into three components, the first two of which include nine subject areas and a set of applicable questions. The purpose of the first component is to determine whether the state's records are sufficient to demonstrate that the state is administering the program in accordance with applicable financial management requirements. The second component is to determine if the state has sufficient records to demonstrate that it has conducted financial reviews of its recipients as may be necessary to ensure recipient compliance with applicable financial management requirements. A worksheet is included to assist in assessing the quality of documentation concerning state reviews of recipients' compliance. The third component is the compliance of the state and its recipients with the audit requirements of the Single Audit Act as outlined in OMB Circular A-133.

Relevant State CDBG program administrative requirements are contained in 24 CFR 570.489. As outlined in these regulations, a state has considerable latitude in establishing its own administrative procedures and standards. A notable difference between the State CDBG program and the CDBG Entitlement program is that the uniform administrative requirements of 24 CFR Part 85 *are not* automatically applicable to the State program. However, an individual state may *choose* to adopt all or part of these administrative requirements in their system. Similarly, only Subpart I of 24 CFR 570 is automatically applicable to the State CDBG program, although a state can choose to adopt all or part of the CDBG Entitlement program regulations. OMB Circular A-87 and 31 CFR 205 (regarding Federal Grant Payments) **are** applicable to the State CDBG Program.

To assess compliance under the administrative and financial management topics, a reviewer must first determine whether the state has developed required policies and procedures for itself as well as for the units of local government that act as the state's recipients. Further, the reviewer must assess whether these policies and procedures are adequate to ensure that funds are used in compliance with applicable statutory and regulatory provisions and that they are spent only for the reasonable and necessary costs of operating programs [see 24 CFR 570.489(d)].

Determinations that the state's policies and procedures are *inadequate* should generally be based on a *pattern* of failure to prevent noncompliance under the state's existing systems. *Failure to follow the state's established system(s)* can also constitute a finding of noncompliance.

As a result of a state's flexibility in establishing policies and procedures, this administrative and financial management Exhibit does not include a series of specific questions. Instead, reviewers are generally asked to determine if the state's system or systems, when viewed as a whole, is/are adequate. If a reviewer needs additional background on financial topics, the CDBG Entitlement Program financial monitoring Exhibit in Chapter 3 can be used as guidance in identifying issues that may be relevant to making such overall assessments. However, if the CDBG Entitlement Exhibit is used, the reviewer should take care to ensure that all findings are based on noncompliance with the Act, and/or Subpart I of 24 CFR 570, and/or the state's own procedures (including the portions of 24 CFR part 85 or the CDBG Entitlement regulations that have been adopted by the state). Unless adopted by the state, variances from part 85 or a section of the CDBG Entitlement regulations are not findings, although a reviewer may suggest that the state consider using these authorities as guidance.

State CDBG Program Review Subject Areas

The review of the eight of the nine areas mentioned above (A through I) is documented through completion of the State-Level and the Recipient-Level Worksheets contained in this Exhibit. The Recipient-Level Worksheet also includes a State Review of Recipient Records Worksheet. A separate guide and worksheet for assessing compliance with a ninth area (J, audit requirements) is located at the end of this Exhibit. This Exhibit is based on a review of records. The reviewer's sampling method and size should be appropriate for the testing basis and the state's systems. Examples of records that can be reviewed include, but are not limited to, written policies and procedures, standard forms, mass mailings to recipients, general ledgers, journal entries, subsidiary ledgers or control systems, databases, bank statements, Treasury records, internal management reports or systems, control matrices, project files, expenditure and other support documentation, subgrant and other contracts. Additional guidance for the HUD reviewer to use in reviewing these areas follows.

- A. Financial Management and Record keeping Requirements: State records should be accurate, current, and fully disclose financial results at the state level. The state should have similar requirements for its recipients. A state may satisfy requirements by: using existing statewide requirements; adopting new program-specific requirements; or applying 24 CFR Part 85.
- B. Retention and Custody Requirements: State records should evidence record retention for a specified period after grant activities are completed which takes into account possible litigation, audit, claims and the like. The general retention period is the greater of three years from HUD's closeout of the grant to the state, or the period required by other applicable laws and regulations.

- C. Allowability and Allocability Requirements: The reviewer is to evaluate and test the adequacy of guidance/principles established by the state for determining the acceptability of direct and indirect costs charged to the state program. OMB Circular A-87 is applicable to the State CDBG program.
- D. Bonding and Insurance Requirements: Bid guarantees, performance bonds, and payment bonds are normally part of established procedures for construction contracts.
- E. Program Income Requirements: The reviewer is to determine whether the state complies with HUD's program income requirements and whether the state requires its recipients to comply with these requirements. The regulations require that, to the maximum feasible extent, program income should be disbursed prior to requesting additional CDBG funds. The regulations at 24 CFR 570.489(e)(3)(ii)(B) has been superseded by a statutory change to Section 104(j) of the HCDA which provides that program income received by a local government after closeout must be used for eligible activities that follow the requirements of the HCDA.
- F. Cash Management Requirements: The reviewer is to determine the adequacy of the state's cash management system. Additionally, the reviewer should determine whether the recipient's cash management procedures are adequate and how effectively they are enforced by the state. A good cash management system should include documentation equivalent to a Federal Cash Transaction Register which provides for the daily recording of cash receipts, disbursements, and cash balances. A well-managed system would also include procedures for forecasting immediate cash requirements. The HUD reviewer may want to obtain and review a copy of the state's agreement with the U.S. Treasury regarding the timing of requests for funds. States must follow the cash management requirements of 31 CFR 205.
- G. Property Management Requirements: The reviewer is to identify and evaluate the property management procedures adopted by the state for both state-acquired and recipient-acquired property. The procedures should encompass such functions as (1) property records, (2) physical inventories, (3) ownership rights, and (4) use and disposition of property. While property management requirements covered in 24 CFR part 85 (guidance unless adopted by the state) are concerned mostly with personal property, the reviewer should ensure that the state and its recipients have procedures to account for real property as well, as required by 24 CFR 570.489(k).
- H. Procurement Requirements: The state must have procedures which meet the requirements of 24 CFR 570.489(g). The reviewer should determine whether procurement procedures of the state and its recipients: (1) provide for maximum free and open competition; (2) prescribe methods of procurement consistent with §570.489(g); (3) provide for adequately documented procurement records; (4) provide for agreements that include all applicable Federal contract provisions; and (5) include in each agreement a clear and concise description of the goods or services required.
- I. Conflict of Interest Requirements: The state is to have standards governing its own actions and staff, standards governing actions and staff at the state grant recipient level, and standards and procedures for granting exceptions to state grant recipients.

- J. Audit Requirements: The Single Audit Act, described in OMB Circular A-133, is applicable to the State CDBG program. States are required to have audits of their own activities and to establish oversight systems for entities they fund to ensure compliance with OMB A-133.

Worksheet: State-Level Financial Management

Program Participant:	Reviewer:	Date:
-----------------------------	------------------	--------------

1.

Indicate which financial management procedures the state has chosen to adopt:

☐ 24 CFR Part 85
 ☐ Official statewide requirements
 ☐ Special state-established requirements for CDBG

Describe Basis for Conclusion:

2.

	SUBJECT AREA	Does the state have procedures governing this subject area? (Yes/No)	Are the procedures equivalent to part 85, Treasury or other requirements? (Yes/No)	Based on state record review, does the state comply with 24 CFR Part 570? (Yes/No)	Explain Answers.
A.	Financial Management & Record Keeping Requirements [§570.489 & §570.490]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
B.	Retention & Custody Requirements [§570.490(d)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
C.	Allowability & Allocability of Costs [§570.489(d) & A-87]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
D.	Bonding & Insurance Requirements	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
E.	Program Income Requirements [§570.489(e) & HCDA, Section 104(j)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
F.	Cash Management Requirements [§570.489(c) & 31 CFR part 205]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
G.	Property Management Requirements [§570.489(k)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
H.	Procurement Requirements [570.489(g)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	
I.	Conflict of Interest Requirements [§570.489(h)]	<input type="checkbox"/> <input type="checkbox"/> Y N	N/A	<input type="checkbox"/> <input type="checkbox"/> Y N	

Exhibit 4-7
State CDBG Program

Worksheet: Recipient-Level Financial Management						
Program Participant:		Reviewer:			Date:	
	SUBJECT AREA	Has the state established requirements for recipients for this subject area? (Yes/No)	Are the procedures equivalent to Part 85, Treasury or other requirements? (Yes/No)	Based on a review of the state's records, is the state in compliance with Part 570? (Yes/No)	Does the state have records showing it has adequately reviewed recipients' compliance? ** (Yes/No)	Explain answers.
A.	Financial Management & Record keeping Requirements [§570.489 & §570.490]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
B.	Retention & Custody Requirements [§570.490(d)]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
C.	Allowability & Allocability of Costs[§570.489(d)&A-87]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
D.	Bonding & Insurance Requirements	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
E.	Program Income Requirements [§570.489(e)& HCDA, Section 104(j)]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
F.	Cash Management Requirements [§570.489(c) & 31 CFR Part 205]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
G.	Property Management Requirements [§570.489(k)]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
H.	Procurement Requirements [570.489(g)]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	
I.	Conflict of Interest Requirements [§570.489(h)]	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> Y <input type="checkbox"/> N	N/A	<input type="checkbox"/> Y <input type="checkbox"/> N	

** Answer after completing the Financial Management Review Worksheet: State Review Of Recipient Records.

Worksheet: State Review Of Recipient Records

Name of Program Participant:

Name of Reviewer:

Date:

Instructions: For each state grant recipient for which you reviewed the state's records, assess the quality of the state's documentation using the following eight factors. Your summary assessment of this information should be used to answer Column 4 of the Review of Recipient-Level Financial Management Worksheet.

		Recipient	Recipient	Recipient	Recipient	Recipient	Recipient
	ASSESSMENT FACTOR	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)	(Yes/No)
1.	Program information is accurate, current, and fully discloses financial results of program. [24 CFR 570.489(d)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N
2.	Keeps financial results of program after close-out for reasonable periods for claims, audits, etc. [24 CFR 570.490(d)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N
3.	Shows evidence of adherence to established direct and indirect cost principles. [OMB Circular A-87]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N
4.	In contracts, shows evidence of use of bid guarantees, performance and payment bonds.	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N
5.	Requests for funds documents evidence accounting for and using program income prior to requesting additional CDBG funds. [24 CFR 570.489(e)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N
6.	Identical or equivalent use of Federal Cash Transaction Register is indicated. [24 CFR 570.489(c)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N
7.	Procedures for accounting for real and personal property are followed. [24 CFR 570.489(k)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N
8.	Indications exist of procurement procedures in use involving competition, methods of procurement and appropriately written contracts. [24 CFR 570.489(g)]	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N	<input type="checkbox"/> <input type="checkbox"/> Y N

J. AUDITS MANAGEMENT SYSTEM**Instructions:**

States are required to follow OMB Circular A-133, which establishes audit requirements pursuant to the Single Audit Act Amendments of 1996 for state and local governments that receive Federal aid. The Circular defines Federal responsibilities for implementing and monitoring those requirements. This section of the Exhibit is designed to assist in determining whether the state is in compliance with the required elements of an audits management system. An audit management review worksheet follows the section questions and can be used to supplement your review by testing a sample of grants to state recipients against the state's control system.

Questions:

1.

Does the system have a procedure for informing recipients of the Single Audit Act requirements? [OMB Circular A-133, §____.400(d)(2)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

2.

Does the system have a way of determining that localities expending \$500,000 or more in Federal awards in one fiscal year meet the requirements of Circular A-133? [OMB Circular A-133, §§____.200 and _____.400(d)(4)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

3.

a. Does the system have a means of ensuring that audits are conducted at the proper time? [OMB Circular A-133, §____.320(a)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
---	---------------------------------	--------------------------------

Describe Basis for Conclusion:

b. Does the system have a means of ensuring that audits are conducted by independent, qualified personnel? [OMB Circular A-133, §____.305]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
---	---------------------------------	--------------------------------

Describe Basis for Conclusion:

c. Does the system have a means of ensuring that audits are conducted in a manner which meets the Comptroller General's audit standards at OMB Circular A-133 §____.500? [OMB Circular A-133, §____.400(d)(4)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
---	---------------------------------	--------------------------------

Describe Basis for Conclusion:

Exhibit 4-7
State CDBG Program

4.

Does the system have a way of ensuring that each audit has determined whether the financial statements present fairly the local government's financial position and the results of its financial operations in accordance with generally accepted accounting principles? [OMB Circular A-133, §§ ____ .400(d)(4) and ____ .500(b)]	<input style="width: 30px; height: 20px;" type="checkbox"/> Yes	<input style="width: 30px; height: 20px;" type="checkbox"/> No
Describe Basis for Conclusion: <div style="height: 100px; border: 1px solid black;"></div>		

5.

Does the system have a way of ensuring that each audit has determined whether the local government has internal accounting and other control systems to provide reasonable assurance that it is managing Federal financial assistance programs in compliance with applicable laws and regulations? [OMB Circular A-133, § ____ .400(d)(3) and (4), as well as § ____ .500(c)]	<input style="width: 30px; height: 20px;" type="checkbox"/> Yes	<input style="width: 30px; height: 20px;" type="checkbox"/> No
Describe Basis for Conclusion: <div style="height: 100px; border: 1px solid black;"></div>		

6.

Does the system have a way of ensuring that each audit has determined whether the local government has complied with laws and regulations that may have a material effect on its financial statements and on each major Federal assistance program? [OMB Circular A-133, § ____ .400(d)(3) and (4), as well as § ____ .500(d)]	<input style="width: 30px; height: 20px;" type="checkbox"/> Yes	<input style="width: 30px; height: 20px;" type="checkbox"/> No
Describe Basis for Conclusion: <div style="height: 100px; border: 1px solid black;"></div>		

<p>Does the system ensure that audit reports are submitted to the state within the earlier of: (i) thirty (30) days after receipt of the auditor's report(s); or (ii) nine (9) months after the end of the audit period?</p> <p>[OMB Circular A-133, §§ __.235(c)(1), __.320(a), and __.400(d)(4)]</p>	<div> <input type="checkbox"/> <input type="checkbox"/> </div> <div> Yes No </div>
<p>Describe Basis for Conclusion:</p>	

<p>Does the system ensure that audit costs are allowable as a direct cost or as an allocated indirect cost, as determined in accordance with the applicable OMB cost principles?</p> <p>[OMB Circular A-133, §§___ .230 and ___ .400(d)(4)]</p>	<div> <input type="checkbox"/> <input type="checkbox"/> </div> <div> Yes No </div>
<p>Describe Basis for Conclusion:</p>	

Does the system include a process for reviewing and reaching determinations to accept or reject findings and ensure determinations are properly documented? [OMB Circular A-133, §____.400(d)(5)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

10.

Does the system have a process for referral of agency-contested findings and recommendations to senior level officials, outside the normal chain of command, for resolution? [OMB Circular A-133, §____.400(d)(5)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

11.

Does the system have a means for determining what corrective actions by the locality are necessary and appropriate to resolve findings and that such actions are taken? [OMB Circular A-133, §____.400(d)(5)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

12.

Does the system ensure that the state issues management decisions for audit findings within six months after receipt of recipient audit reports, and provide follow-up to ensure that the recipient takes appropriate and timely corrective action? [OMB Circular A-133, §____.400(d)(5)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

13.

Does the system have a means for deciding whether the local government audit necessitates adjustment of the state records? [OMB Circular A-133, §____.400(d)(6)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

14.

Did record review disclose any items that should have been adjusted in the state's records, but were not? [OMB Circular A-133, §____.400(d)(6)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

15.

Does the system require each local government to permit independent auditors and state staff to have access to the records and financial statements, as necessary, to comply with the Circular? [OMB Circular A-133, §____.400(d)(7)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

16.

Does the system have a procedure to promptly inform HUD and federal law enforcement authorities of illegal acts or irregularities? [OMB Circular A-133, §____.400(d)(3)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

17.

Does the system have a procedure to inform state and local law enforcement authorities of illegal acts or irregularities? [OMB Circular A-133, §____.400(d)(3)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

18.

Is there a procedure to establish an account receivable from the local government when a monetary sanction is involved?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

19.

Is there a means of ensuring consistent treatment of all audit findings?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

20.

Does the state make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises in procuring audit services, and does its system encourage recipients to do the same? [OMB Circular A-133, § ____ .305(a)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

21.

Did you note any other items relevant to the assessment of the state's compliance with audits management system requirements?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

22.

Based on the results of your review, does the state fully comply with its responsibility to establish and maintain a system for ensuring that its recipients comply with OMB A-133?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

Guide for Review of Financial Management			
OMB Circular A-133 Audits Management System Review Worksheet			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s):		Date:	

Instructions:

This worksheet is intended to supplement the information contained in Section J, “Audits Management,” of the **Guide for Review of Financial Management**. Where unit of local government audits are reviewed to test the implementation of the state’s system, select a sample of grants and insert the names of the unit of government in column (a) of Section A. Provide due dates and receipt deadlines in columns (b) through (e) of Section A; and answer **Yes** or **No**, as appropriate, in columns (f) through (j) of Section B.

A. RECEIPT DEADLINES

	(a)	(b)	(c)	(d)	(e)
	Recipient Name	Fiscal Year End Date	Audit Report Date	Audit Due Date	Audit Received Date
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

	(f)	(g)	(h)	(i)	(j)
	A-133 Met?	Corrective Actions Accepted?	Corrective Actions Documented?	Corrective Actions Taken?	Corrective Actions Taken in 6 months?
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

Explain responses, including negative responses or delays in complying with the required deadlines.
Describe Basis for Conclusion: